OFFICIAL FILE

STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSI	Staff Junsed Exhibit No. 1.0
CITIZENS TELECOMMUNICATIONS COMPANY OF ILLINOIS AND AERO COMMUNICATIONS, LLC	Date 6-26-01 Reporter <u>&B</u>) 01-0415
Joint Petition for Approval of Agreement to Modify and Assign Interconnection Agreement, pursuant to 47 U.S.C. §252)

VERIFIED STATEMENT OF JAMES ZOLNIEREK

My name is James Zolnierek and I am employed by the Illinois Commerce Commission as a Senior Policy Analyst in the Telecommunications Division. I graduated from Michigan State University with a Bachelor of Science degree in mathematics in 1990. I also earned both a Master of Arts degree in economics in 1993 and a Doctor of Philosophy degree in economics in 1996. Among my duties as a Policy Analyst is to review negotiated agreements and provide a recommendation as to their approval.

SYNOPSIS OF THE AGREEMENT

COMMUNICATIONS, LLC ("AERO") jointly petition for approval of agreement to modify and assign existing interconnection agreement between parties. This agreement is a result of Citizens acquisitions of on November 30, 2000 of several local telephone exchanges from VERIZON NORTH, INC. ("VERIZON"), pursuant to Commission approval granted in Docket No. 00-0187 on August 9, 2000. CITIZENS and AERO have agreed that CITIZENS will replace VERIZON in the agreement that governed interconnection in these exchanges between AERO and VERIZON, and have further agreed to modifications to that agreement. The agreement between AERO and VERIZON, contains the financial and operational terms for the interconnection of the VERIZON and AERO networks and for the resale and leasing of VERIZON services to and by AERO. The agreement between VERIZON and AERO originally mirrored the interconnection agreement between VERIZON and NORTHPOINT COMMUNICATIONS, INC. which was approved on January 12, 2000 in Docket No. 99 NA-052. Supplemental terms to the VERIZON-AERO agreement were approved on October 4, 2000 in Docket No. 00-0567. The agreement expires on

February 1, 2002, but is automatically renewable in six month terms unless a party delivers to the other party written notice of termination of the Agreement at least 90 days prior to the expiration of the term.

The purpose of my verified statement is to examine the agreement based on the standards enunciated in section 252(e)(2)(A) of the 1996 Act. Specifically, this section states that:

The State commission may only reject an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds that:

- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity.

I APPROVAL UNDER SECTION 252(e)

A. DISCRIMINATION

The first issue that must be addressed by the Commission in approving or rejecting a negotiated agreement under Section 252(e)(2)(A) is whether it discriminates against a telecommunications carrier that is not a party to the agreement. Discrimination is generally defined as giving preferential treatment. In previous dockets, Staff has taken the position that in order to determine if a negotiated agreement is discriminatory, the Commission should determine if all similarly situated carriers are allowed to purchase the service under the same terms and conditions as provided in the agreement. I recommend that the Commission use the same approach when evaluating this negotiated agreement.

A carrier should be deemed to be a similarly situated carrier for purposes of this agreement if telecommunications traffic is exchanged between itself and CITIZENS for termination on each other's networks and if it imposes costs on CITIZENS that are no higher than the costs imposed by AERO. If a similarly situated carrier is allowed to purchase the service(s) under the same terms and conditions as provided in this contract, then this contract should not be considered discriminatory. Since Section 252(i) of the 1996 Act allows similarly situated carriers to enter into essentially the same contract, this agreement should not be deemed discriminatory.

B. PUBLIC INTEREST

The second issue that needs to be addressed by the Commission in approving or rejecting a negotiated agreement under Section 252(e)(2)(A) is whether it is contrary to the public interest,

convenience, and necessity. I recommend that the Commission examine the agreement on the basis of past Commission orders, and state and federal law to determine if the agreement is consistent with the public interest.

Nothing in this agreement leads me to the conclusion that the agreement is inconsistent with past Commission Orders, or in violation of state or federal law. Therefore, I recommend that the Commission approve this agreement.

II IMPLEMENTATION

In order to assure that the implementation of the CITIZENS-AERO agreement is in the public interest, CITIZENS should implement the Agreement by filing a copy of the agreement or agreements between VERIZON and AERO, along with refiling the agreement between CITIZENS and AERO (Attachment to the Petition) to modify and assign the existing VERIZON-AERO interconnection agreements, with the Chief Clerk of the Commission within fourteen (14) days of approval by the Commission. CITIZENS should verify that the entire set of agreements constitutes a true and correct copy of the entire interconnection agreement between CITIZENS and AERO. The Chief Clerk should place the entire set of agreements on the Commission's web site under Interconnection Agreements. Such a requirement allows interested parties access to the actual agreement between the parties and is consistent with 47 USC 252 (h) and (i). In addition, the following sections of CITIZENS tariffs should reference the CITIZENS-AERO Agreement: Agreements with Telecommunications Carriers (ICC No. 21 Section 19.15).

For the reasons enumerated above, I recommend that the Commission approve this agreement pursuant to Section 252(e) of the Telecommunications Act of 1996.

STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

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NOTICE OF FILING

To Attached Service List:

PLEASE TAKE NOTICE that we have on this 22nd day of June, 2001, filed with the Chief Clerk of the Illinois Commerce Commission, 527 East Capitol Avenue, Springfield, Illinois, the Verified Statement of the Staff of the Illinois Commerce Commission, a copy of which is hereby served upon you.

James E. Weging
Office of General Counsel
Illinois Commerce Commission
160 North LaSalle Street
Suite C-800
Chicago, Illinois 60601
(312) 793-2877

Counsel for the Staff of the Illinois Commerce Commission

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the above Notice, together with copies of the document referred to therein, have been served upon the parties to whom the Notice is directed by first-class mail, proper postage prepaid, from Chicago, Illinois, or by e-mail on this 22nd day of June, 2001.

James E. Weging

SERVICE LIST 01-0415.....JEW JUNE 22, 2001

VIRGINIA L. COOGLE CITIZENS TELEOCMMUNICATIONS CO. 3 HIGH RIDGE PARK STAMFORD, CT 06905

DOCUMENT PROCESSOR CITIZENS TELECOMMUNICATIONS COMPANY. CSC 700 S. SECOND STREET SPRINGFIELD, IL 62701

JAMES E. WEGING
OFFICE OF GENERAL COUNSEL
ILLINOIS COMMERCE COMMISSION
160 N. LASALLE STREET, SUITE C-800
CHICAGO, IL 60601

JAMES ZOLNIEREK ILLINOIS COMMERCE COMMISSION 527 E. CAPITOL AVENUE SPRINGFIELD, IL 62701 TODD HEINRICH AERO COMMUNICATIONS 216 E. STEPHENSON STREET FREEPORT, IL 61032

JOHN E. ROONEY ATTY, FOR CITIZENS TELECOMMUNICATIONS SONNENSCHEIN NATH & ROSENTHAL 8000 SEARS TOWER CHICAGO, IL 60606

MICHAEL L. WALLACE HEARING EXAMINER ILLINOIS COMMERCE COMMISSION 527 E. CAPITOL AVENUE SPRINGFIELD, IL 62701 F. WAYNE LAFFERTY CITIZENS TELECOMMUNICATIONS PO BOX 251209 5600 HEADQUARTERS DRIVE PALNO. TX 75025-1209

KRISTOPHER E. TWOMY
ATTY. FOR AERO COMMUNICATIONS
MBV LAW LLP
101 VALLEJO STREET
SAN FRANCISCO, CA 94111

SANJO OMONIYI ILLINOIS COMMERCE COMMISSION 527 E. CAPITOL AVENUE SPRINGFIELD, IL 62701

VERIFICATION

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

I, James Zolnierek, do on oath depose and state that if called as a witness herein, I would testify to the facts contained in the foregoing document based upon personal knowledge.

SIGNED AND SWORN TO BEFORE ME THIS 22nd DAY OF June, 2001.

NOTARY PUBLIC

OFFICIAL SEAL
FRANCES J ADCOCK
MOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPRES:08/28/04

Frances J. aderek